NEWSPAPER

Advertising Age

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David W. Hamilton Image Bank

Why London is no longer the creative center of Europe

By Laurel Wentz

LONDON—When NutraSweet Co. was searching for a European headquarters for its Simplesse Co. late last year, company executives considered Paris, London and Frankfurt.

In the past, this was a no-brainer. London was ultimately chosen by a majority of U.S. marketers, who were comfortable with its living conditions, location and language.

No more. NutraSweet picked Paris, while London came in third.

"London is not more central, it's isolated," said Lynn Weitzke, who moved to Paris from Connecticut in late 1990 as European marketing manager of the new Simplesse Europe. "American companies are attracted to London because of the language, but when they get to London, they discover they are more isolated."

"American companies are attracted to London because of the language, but when they get to London, they discover they are more isolated."

Simplesse isn't alone in rejecting London as the center of European advertising and marketing.

London's status has been shattered by the growing importance of continental Europe and the demise of London stock exchange funding that fueled the voracious growth of U.K. agencies, such as Saatchi & Saatchi Co. and WPP Group. As a result, London has been eclipsed by Paris, Brussels and even Ridderkerk, a town near Rotterdam chosen in January by Saatchi & Saatchi Co.-owned Howard Marlboro Group for its European headquarters.

Five months ago, Quaker Oats Co. moved the headquarters for its $1.5 billion-a-year European operations from Chicago to the most European city it could find—Brussels.

"We felt as an American company, with everyone using English as a first language, that if we located in London we could very quickly become an Anglo-American axis. That didn't take account of business done on the Continent," where Quaker's sales are $1.25 billion a year, said Richard Savage, VP-human resources of Quaker Europe.

Quaker was concerned about the difficulty of recruiting broad-minded Europeans to work in London. Mr. Savage said. In Brussels, he's hired "a really good me-

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Wells Rich tests 4A's liability clause

By Joe Mandese and Scott Donaton

Time Warner and many newspapers are rejecting a Wells, Rich, Greene contract for client Continental Airlines containing a controversial "sequential liability" clause.

The new clause, which follows a recent American Association of Advertising Agencies recommendation, absolves the agency of sole liability for media bills. This is the first real test of the Four A's policy.

While some general business magazine publishers have accepted contracts containing the clause, which stipulates that the agency doesn't become liable until it's been paid by the client, other publishers have either rejected them or asked that they be modified to clarify who's liable for payment.

In other cases, newspapers have effectively ignored the issue of liability in the new contracts by requiring cash payments for the ad placements.

The clause on a Continental invoice obtained by *Advertising Age* reads: "Agency shall be solely liable for payment of all invoices

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$40M review uncorked

As Michelob goes flat, A-B looks for change

By Gary Levin and Ira Teinowitz

Anheuser-Busch, faced with declining sales for Michelob and unhappy with the brand's current strategic approach, has put the estimated $40 million account, now at DDB Needham Worldwide, up for review.

Regular Michelob, Michelob Light, Michelob Classic Dark and Michelob Dry are said to be included in the review. Michelob Golden Draft and Golden Draft Light, now entering test markets via DDB Needham, aren't involved.

Sources said A-B will hear pitches from the incumbent's Chicago office; BBDO Worldwide, New York; Chiat/Day/Mojo, Venice, Calif.; and D'Arcy Masius Benton & Bowles, St. Louis, which handles the flagship Budweiser brand.

Agency briefings are scheduled for late April.

"Four advertising agencies have been asked to submit strategic and creative recommendations for a new Michelob family advertising assignment," said a company statement responding to queries from *Advertising Age*. "Details of the assignment, funding levels and an expected decision date have not been disclosed."

"Four advertising agencies have been asked to submit strategic and creative recommendations for a new Michelob family advertising assignment."

A-B declined to confirm the agency list or to elaborate; the agencies involved also declined comment.

"I haven't got the official advice [from A-B], although it wouldn't be unexpected," said Alan Pilkington, managing director of DDB Needham's Chicago office. Mr. Pilkington said he believed only regular Michelob was up for grabs, but other sources familiar with the review disputed that.

Spending behind the base Michelob brand has dropped in recent years amid slumping sales, and A-B has tried to shore it up by spending heavily to introduce the light, dark and dry versions.

A-B is expected to spend heavily to promote the Golden Draft products, if successful in test marketing.

Anheuser-Busch Cos.' overall measured media spending fell 19% to $300 million last year from 1988 spending, even as A-B acquired more theme parks, including the Sea World group.

The measured numbers don't fully reflect the switch to local media. A-B agency executives have said, as the company has pushed local promotions and balked at escalating prices for network TV sports sponsorships.

A-B spent $26 million in measured media on regular Michelob in 1989 and $2 million in 1990.

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INSIDE

Uh-huh: Your kids may be wearing Pepsi jingle soon. **P. 4**

LAST MINUTE NEWS

Kraft taps O&M Direct

GLENVIEW, Ill.—Kraft General Foods Group named Ogilvy & Mather Direct as direct marketing agency of record for all U.S. brands. A number of agencies had handled business on a project basis including Grey Direct, New York, and Leo Burnett USA, Chicago. Kraft General Foods said spending couldn't be estimated since this is the company's first major foray into direct marketing. O&M said its Los Angeles, Chicago and New York offices will work on the business.

More Paramount partners revealed

HOLLYWOOD, Calif.—Paramount is telling movie theaters that its "Passport to Summer Entertainment" promotion with Kmart (AA, April 8) now includes Hardee's, Goodyear, Chrysler Corp., Costa Cruises and the USA Network. The studio expects to distribute 20 million scratch-and-win

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NEWS SUMMARY

■ **Sequential liability clauses** in Wells, Rich, Greene media contracts for Continental Airlines are being rejected by Time Warner and many newspapers. 1

■ **Michelob's** estimated $40 million advertising account, now at DDB Needham Worldwide, has been put up for review by Anheuser-Busch. 1

■ **CBS-TV** gained the most in key ratings and demographics in the close 1990-91 prime-time race, won by NBC. 3

■ **Beer marketers** are cutting prices on a growing number of brands as the important summer season approaches. 3

■ **'Airport Channel,'** offering TV programming for waiting travelers, is being tested by Turner Broadcasting System. 3

■ **Sterling Drug** is seeking an agency for its Bayer brand after Lintas:Worldwide resigned the account. 3

■ **Liquid Tide With Bleach Alternative** is being test-marketed by Procter & Gamble. 4

■ **Pepsi-Cola Co.** is promoting clothing sporting its new jingle, "You've got the right one baby, uh-huh." 4

■ **Constitutional protection** against ad taxes may have been weakened by a Supreme Court ruling upholding a state sales tax on cable TV services, observers say. 4

■ **Recession's end** isn't in sight, according to a new study by J. Walter Thompson Co. 4

■ **Welcome-home parades** and other events for Operation Desert Storm servicemen and women will include a number of tie-ins from marketers. 10

■ **Domino's Pizza** selected Grey Advertising to succeed Group 243 on its $60 million national account. 12

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■ **Diet Dr Pepper** sales showed record increases in the first quarter and will get an extra $3.5 million in prime-time advertising this quarter. 17

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Beer discounting war intensifies

By Ira Teinowitz

Beer marketers are discounting prices in an effort to boost sales.

Distributors and analysts say price cutting is on the rise as brewers struggle to counter the recession and soften the impact of the federal excise tax increase that took effect in January.

The number of regions where discounts are being offered and the number of brand names being discounted have increased as summer approaches, distributors and analysts say.

There is "some pretty deep [price] promotion going on" by Miller Brewing Co. and Coors Brewing Co., said Jerry Steinman, publisher of *Beer Marketer's Insights*, a beer industry newsletter. "I don't know how much deeper than it was last year, but there are some areas where the Miller promotions are long and deep."

"From what I've heard, the promotions are earlier and deeper than last year," he said.

Industry price cutting will continue and perhaps increase, said Anheuser-Busch VP-Sales James I. Hunter III.

"In certain parts of the country, there has been some intensification," he said.

Mr. Hunter said A-B wouldn't make a major price cut as part of its summer promotions.

However, 18 months ago, A-B Chairman August A. Busch III vowed the company would respond to competitors' price cutting to avoid losing market sh

Since then A-B has permanently brought down the price of Natural Light to popular pricing from sub-premium and is testing a Natural Pilsner sibling at the popular price.

A-B also is testing Michelob Golden Draft and Michelob Golden Draft Light at premium prices rather than Michelob's superpremium level.

Manny Goldman, a beer industry analyst

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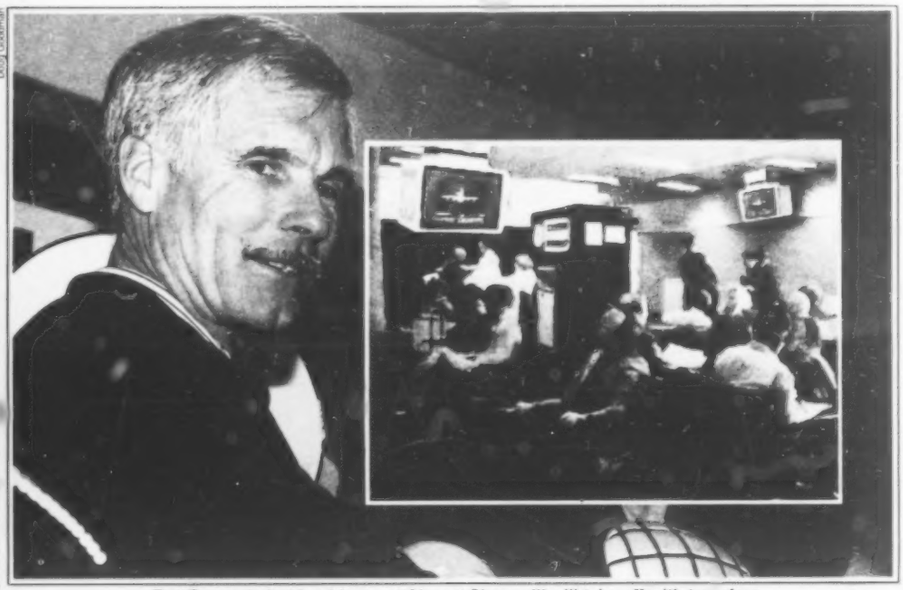

Doug Goodman

Ted Turner is betting his new "Airport Channel" will take off with travelers.

Turner's new gamble

How marketers view 'Airport Channel'

By Alison Fahey

Turner Broadcasting System's plan for a new channel to deliver viewers waiting at airline departure gates is stirring interest among advertisers and airlines.

The "Airport Channel," scheduled for a six-week, three-market test starting June 3, will be seen by travelers waiting at United, American and Delta gates.

The channel will be split between 70% editorial and 30% commercial time, and will be customized for each airport by Turner's Cable News Network.

Continuously updated programming will focus on news, consumer information and travel.

Turner will provide the TV sets and other hardware.

CNN President Tom Johnson said the "Airport Channel" is "another logical step" in the news organization's commitment to provide "all news, all the time, anywhere."

John Barbera, president of Turner Broadcasting Sales, said the channel's primary ad categories will be financial services including credit cards, travel-related industries and automotive.

Six national advertisers are expected to take part in the test in Atlanta, Dallas and Chicago, Mr. Barbera said. Three have already been signed—GTE Corp., General Motors Corp. and one unidentified advertiser.

"We're taking [advertising] to the people," said Philip Guarascio, GM's executive director of advertising and marketing programs. "It's no longer good enough to expect your communication system to work after somebody gets home at 7:30 at night. You have to be able to go where they are."

MasterCard International said

(Continued on Page 44)

Key demo gains push CBS ahead in prime time

By Joe Mandese

NEW YORK—CBS-TV is the big winner in key ratings and demographics in the closest prime-time race in 2½ years.

CBS' surge has big implications for the 1991-92 prime-time upfront buying period, expected to start in mid-June and to be long and brutal.

With the networks approaching parity in their audience size and demographics, advertisers are expected to increase their leverage over networks in negotiations.

While the aggregate prime-time Nielsen rating for the Big 3 networks fell nearly 6% to 37.5, CBS' prime-time rating increased 2% to 12.3. The network was just 0.4 of a point behind No. 1 NBC-TV, which fell 13% to 12.7. ABC-TV was off 3% to 12.5.

More significantly, CBS was the only network to improve its delivery of the four key demographic groups that represent about 90% of all prime-time buys: men ages 18 to 49, women 18 to 49, men 25 to 54 and women 25 to 54.

Although CBS still trails the other two networks in those

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Lintas quits Bayer account

By Pat Sloan and Gary Levin

NEW YORK—Sterling Drug and Lintas Worldwide split last week over disagreement about the wisdom of extending the Bayer name, synonymous with aspirin, into ibuprofen- or acetaminophen-based products.

"They feel one way about a subject, and we feel another way," Lintas Chairman-CEO William Weithas said after deciding not to participate in a review and resigning the estimated $25 million account it had held since 1978. "Maybe our fortunes are better somewhere else."

While Mr. Weithas declined to comment on reasons for the parting, an internal memo spoke of "strategic disagreements."

"They feel one way about a subject, and we feel another way. Maybe our fortunes are better somewhere else."

Sources say these included Lintas' opposition to extending Bayer into non-aspirin products for fear of diluting the brand.

"We are disappointed Lintas has chosen not to participate in the Bayer review and has elected to resign the account," said Terry Kelley, Sterling's director of communications. He said the company wouldn't comment on speculation about other products.

Executives at two other agencies now pursuing the account agreed that a line extension was a worrisome issue.

Sterling hasn't identified agencies vying for the business, but sources close to the situation named New York shops Ammirati & Puris, McCaffrey & McCall, Ogilvy & Mather, Altschiller Reitzfeld/Tracy-Locke, BBDO Worldwide and FCB/Leber Katz

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HOT STUFF!

Haagen-Dazs Co. today breaks a $13 million campaign, including its first TV spots ever. Themed "Taaste the passion," three spots show normally controlled people who lose themselves in the richness of Haagen-Dazs' ice cream, frozen yogurt and snacks. Magazine ads support. BBDO Worldwide, New York, won the account last fall.

Burger King last week introduced its new theme, "Your way. Right away," backed by its old "Have it your way" jingle, in a new 30-second network TV spot for its BK Broiler. It ended the controversial, 19-month tenure of "Sometimes you've gotta break the rules." D'Arcy Masius Benton & Bowles, New York, created the spot.

Magazine ad page leaders

Publishers Information Bureau figures for January through March 1991.

Rank	Magazine	Pages	% chg	Dollars	% chg
1	Bride's	807.80	2.2	15,226,999	8.2
2	People	663.08	1.0	68,958,520	10.5
3	Vogue	653.64	(8.0)	26,473,503	2.4
4	TV Guide	653.50	(18.6)	77,238,899	(10.8)
5	Modern Bride	627.29	(0.7)	10,049,639	(1.4)
6	Business Week	600.84	(20.5)	36,217,451	(19.4)
7	Forbes	565.58	(16.8)	25,418,876	(13.9)
8	The Economist	540.89	(10.4)	4,962,538	(3.0)
9	Entrepreneur	535.57	4.9	5,750,167	20.3
10	Sports Illustrated	457.56	(20.9)	62,013,673	(14.8)
11	Cosmopolitan	442.28	(0.1)	29,117,561	11.3
12	Time	441.58	(16.6)	65,521,052	(11.6)
13	New York Magazine	434.26	(16.7)	7,470,058	(6.3)
14	Golf World	428.10	(7.9)	3,700,815	6.2
15	Fortune	408.19	(34.7)	21,985,773	(29.3)
16	Elle	394.87	(11.1)	12,878,180	(4.5)
17	Good Housekeeping	380.54	3.3	38,853,428	11.3
18	Newsweek	369.02	(22.1)	41,899,307	(19.9)
19	Golf Magazine	367.64	(7.0)	12,512,332	12.4
20	Yachting	365.36	(19.4)	2,278,853	(15.5)
21	Glamour	361.27	0.7	20,558,498	8.1
22	Ladies' Home Journal	358.61	2.7	26,736,979	10.3
23	GQ	355.94	(20.6)	9,495,395	(10.9)
24	Muscle & Fitness	353.68	18.1	6,430,728	25.7
25	American Way	350.09	(14.1)	5,297,605	(1.7)
26	Family Circle	347.48	(1.5)	29,312,854	2.2
27	Skin Diver	344.00	5.8	3,496,008	16.2
28	U.S. News & World Report	327.28	(17.4)	27,515,115	(13.1)
29	Sunset	326.31	0.1	10,019,970	2.5
30	Travel & Leisure	324.06	(3.4)	13,085,248	(2.0)
31	Parents	323.34	6.5	14,227,127	13.5
32	The New Yorker	317.86	(35.1)	9,172,983	(28.9)
33	Popular Photography	315.76	7.9	7,240,088	3.6
34	W Magazine	306.23	(22.2)	7,376,443	(18.7)
35	Salt Water Sportsman	302.69	(21.0)	2,171,890	(12.9)
36	Rolling Stone	299.14	(22.6)	11,724,670	(12.6)
37	Texas Monthly	297.85	(5.3)	3,421,789	(1.8)
38	Better Homes & Gardens	295.20	7.4	34,896,500	14.9
39	Golf Digest	282.70	(20.6)	16,441,475	(1.2)
40	Architectural Digest	281.57	(28.6)	7,755,059	(27.0)
41	Money	280.13	(2.3)	18,648,769	5.8
42	Harper's Bazaar	278.66	(20.4)	8,094,624	(11.7)
43	Car & Driver	272.26	2.3	11,438,492	11.7
44	Southern Living	270.37	(11.5)	14,844,869	(1.0)
45	Bass Master	262.38	7.4	5,298,542	11.9
46	Redbook	260.23	(2.3)	17,893,283	11.9
47	Mademoiselle	260.02	(16.9)	9,320,824	(14.8)
48	McCall's	253.66	8.8	19,559,997	23.8
49	Ebony	251.38	(14.1)	9,467,571	(5.5)
50	Ski	248.66	0.3	5,193,746	1.4
51	Gourmet	244.16	(11.1)	7,398,915	1.8
52	Road & Track	241.63	7.8	7,330,154	9.0
53	Jet	236.00	2.0	4,150,564	7.0
54	Vanity Fair	235.65	(20.2)	8,181,847	(22.7)
55	Seventeen	235.42	(20.4)	8,022,431	(10.2)
56	Skiing	229.64	(0.2)	4,688,853	(1.1)
57	Mirabella	228.70	(19.9)	4,415,565	3.8
58	Bon Appetit	224.99	(10.4)	7,271,837	(4.6)
59	Country Living	222.94	(9.6)	9,690,656	(3.1)
60	Conde Nast Traveler	222.89	(15.6)	6,640,801	(8.8)
61	Four Wheeler	216.25	4.5	1,984,510	29.9
62	Compute	215.27	NA	1,890,399	NA
63	Working Woman	213.92	(14.7)	6,811,748	(7.3)
64	Reader's Digest	209.61	(20.0)	21,941,143	(16.5)
65	Smithsonian	207.76	(9.8)	8,969,706	(7.1)
66	Black Enterprise	207.66	(9.9)	3,091,608	0.5
67	Motor Trend	205.63	7.6	7,774,409	12.1
68	Town & Country	204.53	(43.1)	5,703,205	(33.5)
69	Woman's Day	203.03	(38.7)	15,122,512	(37.0)
70	Bicycling	202.84	(5.3)	3,104,557	5.7
71	Self	199.64	(31.7)	8,325,019	(23.0)
72	Inc.	197.25	(16.7)	9,126,316	(6.7)
73	Field & Stream	194.48	(13.5)	8,775,939	(3.9)
74	Esquire	193.23	(31.5)	6,042,670	(27.0)
75	House & Garden	193.17	(17.5)	5,210,387	(9.4)
76	Delta Sky	193.02	(8.0)	5,492,870	1.8
77	Sports Afield	192.72	(6.2)	3,928,335	7.8
78	Art & Antiques	191.30	(14.1)	1,434,389	13.7
79	New Woman	189.65	(9.5)	5,364,203	3.1
80	Entertainment Weekly	185.53	21.8	4,040,732	25.0
81	San Francisco Focus	185.11	(25.6)	1,262,324	(19.6)
82	Outdoor Life	184.32	(5.0)	5,956,131	5.5
83	Penthouse	177.82	15.4	7,099,139	16.2
84	Omni	177.32	7.6	4,703,008	(6.8)
85	Playboy	172.79	5.5	11,090,314	4.3
86	Metropolitan Home	171.85	(37.3)	6,129,695	(24.1)
87	Automobile Magazine	168.79	7.8	4,430,292	54.9
88	Outside Magazine	167.75	9.5	2,899,890	14.8
89	Yankee	166.41	(12.2)	2,193,452	(1.4)
90	Essence	164.62	(17.4)	4,450,762	(7.0)
91	Working Mother	164.02	(7.1)	3,894,836	9.0
92	Parenting	162.62	22.5	3,710,968	65.0
93	House Beautiful	159.87	(0.9)	6,318,858	10.4
94	Hot Rod	159.14	(10.6)	3,733,966	(6.5)
95	Popular Mechanics	157.31	(12.9)	5,729,569	0.2
96	Premiere	154.95	(6.1)	3,039,980	5.9
97	Organic Gardening	153.96	7.9	2,622,000	10.1
98	M Inc.	152.50	(24.5)	2,086,364	(15.5)
99	Tennis	152.40	(7.9)	5,105,446	2.8
100	Shape Magazine	151.16	4.3	2,642,095	(5.4)

Percent change compares January-March in 1991 with 1990. Source: Publishers Information Bureau

MEDIAWORKS

MARCH AD RESULTS

Titles' ad slide worsens

By Scott Donaton

Magazine ad pages in March took their steepest plunge since the ad drought began in late 1989, Publishers Information Bureau reported.

Pages totaled 13,327.9 for the month, down 12% from March of last year. Ad revenues dipped 5.7% to $529 million.

First-quarter ad pages fell 9.6% to 35,602 from the same period in 1990; revenues declined 4.3% to $1.4 billion.

Industry observers view the sharp drop as proof the Persian Gulf War had more impact on print spending decisions than was originally believed.

Pages from the top 10 ad categories (ranked by revenue) totaled 24,718.7 in PIB-tracked magazines in the first quarter, down 9.1%. The steepest decline was posted by the business/-consumer services category: 2,391 pages, down 28.6%.

Advertising from cigarette and tobacco marketers fell 14% to 1,112.2 pages. Automotive ad pages were down 3.7% to 3,826. Computers and office equipment was the only top 10 category with a gain, up 8.8% to 1,135.3 pages.

The slump has hit most consumer magazines, including many that posted gains last year. Of the 171 titles tracked by PIB in the first quarter, 117—or 68%—carried fewer ad pages than they did a year earlier.

Fifty-two magazines recorded page gains after three months. *Allure*, launched in March, and *Compute!* are new to PIB and didn't report 1990 first-quarter figures.

Art & Antiques, which finished 1990 up 10% in pages, carried 191.3 ad pages through March, down 14.1%. *Financial World* saw pages soar 24.3% last year but watched them fall a whopping 49% in the first quarter to 124.6. *Victoria*, which posted a 43.6% page gain in 1990, registered an 11.5% drop after three months to 122.4 pages.

"Thankfully, the Persian Gulf War is over with, and I think that had the most dramatic effect," said Gail Boston, ad director of *Art & Antiques*. "Now that it's subsiding, things are picking up again and we're looking forward to a strong second half."

But most publishers don't expect a turnaround before the fourth quarter or early 1992.

At a recent state of the magazine industry event, American Express Publishing Corp. President Thomas O. Ryder predicted "a great Christmas."

"The business turnaround will come more slowly than expected but will be in full force by the fourth quarter," he said. "And 1992 will be a sensational year for magazines and for the advertising industry."

Top 10 magazine ad categories by revenue

Rank	Category	1991 revenue	% chg	1991 pages	% chg
1	Automotive*	$210,107,527	3.76	3,826	(3.65)
2	Direct response cos.	$154,084,978	8.44	4,958	(0.12)
3	Toiletries & cosmetics	$135,501,050	2.19	2,729.4	(7.73)
4	Food	$109,211,821	(3.41)	1,810	(11.74)
5	Apparel**	$93,699,531	(10.53)	3,316.8	(12.43)
6	Travel, hotels & resorts	$86,955,705	(7.22)	2,809.1	(8.73)
7	Business & consumer svcs.	$81,975,919	(29.40)	2,391	(28.58)
8	Cigarettes & tobacco	$69,306,328	(3.76)	1,112.2	(13.99)
9	Computers & office equip.	$50,991,465	12.02	1,135.3	8.82
10	Publishing & media	$47,361,546	(5.14)	630.9	(9.32)

Revenue and pages figures are from January-March 1991. *Includes accessories and equipment. **Includes footwear and accessories. Source: Publishers Information Bureau

Business Week, 1990's ad page leader, was sixth after three months behind *Bride's* (807.8 pages, up 2.2%); *People* (663.1 pages, up 1%); *Vogue* (653.6 pages, down 8%); *TV Guide* (653.5 pages, down 18.6%); and *Modern Bride* (627.3 pages, down 0.7%).

Business Week's 600.8 pages represented a 20.5% decline from a year ago, when it ranked third behind *TV Guide* and *Bride's*.

More alarming is the fact that while there was just a 46.7-page gap between *Business Week* and top-ranked *TV Guide* in first-quarter 1990, *Business Week* trailed top-ranked *Bride's* by 207 pages for first-quarter 1991. □

PUBLISH-ING

Editorial and business-side developments in print media.

Seeking growth from within. *Business Week* is the latest magazine to explore the multimagazine ad sales arena. The weekly is considering package deals with trade titles published by parent McGraw-Hill, said Exec VP-Ad Sales Karl Spangenberg. *Business Week* considered hooking up with other consumer media companies, he said, but "at the present time we feel there are some resources to fully develop and exploit within the corporate umbrella."

Deals initially will be done on an ad hoc basis, Mr. Spangenberg said, but he expects the network buy to be formalized. Packages with outside media companies are still being considered.

***Interview* shrinks.** *Interview*, New York, will downsize slightly with its July issue, 10⅞ by 13½ inches, down from 10⅞ by 14½ inches. The avant-garde monthly will also revamp its front section with the issue. *Interview* joins such magazines as *Elle*, *Premiere* and *Mirabella*, which all recently announced plans to downsize to cut cost or for aesthetic reasons.

College prep. Oxendine Publishing in the fall will introduce *Florida Leader*, a semiannual magazine for high school students. Oxendine publishes *Florida Leader* for distribution at 55 colleges and universities. The high school edition will be distributed at 300 high schools; its guaranteed circulation is 50,000. Editorial written by college students will help high schoolers prepare for college, such as tips on how to get financial aid and scholarships. A b&w page is $3,964; color is $4,139. W.H. "Butch" Oxendine is publisher, editor and ad director. Offices are at 738 Northwest 23rd Ave., Gainesville, Fla. 32609. Phone: (904) 373-6907.

Upscale title checks in. Carlyle Communications International, Houston, in mid-June will launch *Relais & Chateaux Magazine of North America* for distribution in rooms at 35 Relais & Chateaux of North America member hotels. The title will be published in mid-June and mid-October. Michael Stafford is publisher; Stan Murray is editor and associate publisher. Ad rates are based on a three-issue buy: two issues of *Relais & Chateaux Magazine* and Carlyle publication *Ultra's* 1991-1992 "The Quintessential Guide to Living Well," a hardbound annual issue. Total circulation is estimated at 475,000. A b&w page is $27,000; a color page is $33,000.

Food for thought. Knapp Communications Corp.'s *Bon Appetit* expects to raise $2 million for hunger-relief programs as the national sponsor of "Taste the Nation," a weeklong series of food tastings in 75 U.S. cities that began April 21. Los Angeles-based Knapp also will donate to hunger relief organizations a portion of the revenues from a special section in the monthly's April issue.

***Southern Homes* redecorates.** *Southern Homes*, Atlanta, will unveil a new look and focus with its May/June issue. In an effort to reverse last year's 19% ad page decline, the home design publication has expanded coverage of remodeling, food, entertainment and gardening. The magazine is narrowing its focus from Georgia to Atlanta, evidenced by the new subhead, "Atlanta's Magazine for Better Living." □

Joe Mandese coordinates MediaWorks.

Gains for CBS

(Continued from Page 3)

demos, the network's gains coupled with its competitors' losses have narrowed the gap.

"In terms of audience composition, the three networks are becoming barely more distinguishable than nine letters in the alphabet," said Steve Sternberg, director of broadcast research for Bozell, New York.

"No one network is going to have as much leverage against any given demographic as they have had in the past," Mr. Sternberg noted.

"When you are dealing with three suppliers, it's always good for a buyer to have parity. It gives us choices," said Lou Schultz, Lintas:USA exec VP-director of media services.

Parity "gives the advantage to the buyer rather than the seller," said Linda Urben, AT&T Co.'s district manager for media advertising. "So we're looking forward to the upfront."

"It opens up your options in the sense that there is no must-buy for almost any program strategy," said George Mahrlig, director of media services for Campbell Soup Co. "If you're looking for a series with real marquee value, you can start shopping any of the networks. There was a time where NBC was the only place to go. So, people with that strategy were kind of hamstrung. Now, you can look for some of that from everybody."

CBS could still have enough momentum to close the gap in key demos this season, said David Poltrack, VP-planning and research.

Lintas' Mr. Schultz downplayed the significance of that momentum, however.

"This is really more of a case where standing still is winning, because the other guys are losing so much."

Mr. Poltrack noted that the demographic shifts should spark changes in the portion of advertiser budgets allocated to each network in the prime-time marketplace for next year.

According to Arbitron's Broadcast Advertisers Reports, NBC had a 44.2% share of the $5.2 billion spent in prime-time during 1990, compared with ABC's 31.9% and CBS' 23.9%.

Moreover, Mr. Poltrack said CBS continues to strengthen its position among adults ages 35 to 54, a group he said will grow increasingly important to marketers.

"This is the only segment that will grow during the 1990s," he said, adding that it represents a disproportionate share of U.S. buying power.

"It is going to become the biggest demo," said Bozell's Mr. Sternberg. "Within the next couple of years, about a third of the total TV audience will be 35 to 54."

Network prime-time buying patterns are already starting to skew toward older audiences, he said.

"We're seeing a much greater buying emphasis now on 25-to-54-year-olds, where it used to be much more on 18 to 49," he said. "Now they're about equal."

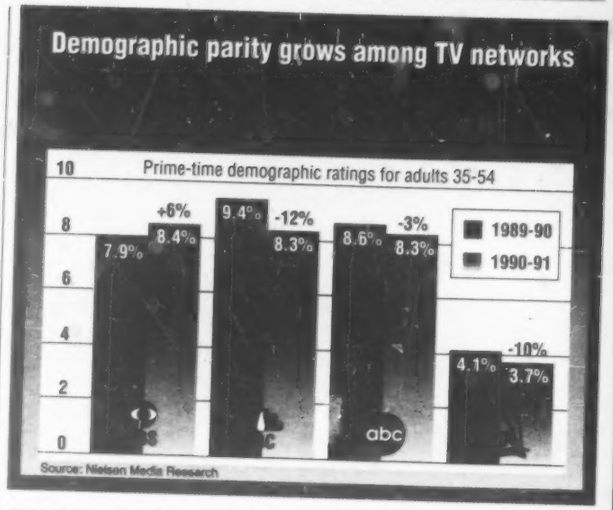
Eight of the series returning to CBS' schedule this season performed better than the previous season. These include "60 Minutes," "The Sunday Night Movie," "Murphy Brown," "Major Dad," "Designing Women," "Rescue 911," "The Tuesday Night Movie" and "Guns of Paradise."

With the exception of "60 Minutes," most of those shows contributed to CBS' improvement among younger demos, particularly "Designing Women" and "Murphy Brown."

But while CBS continues to position itself to marketers as the "adult network," its audience actually grew more youthful this season.

It gained in adults 18 to 34 and teens 12 to 17 but lost share in adults 55-plus. Consequently, the median age of CBS' prime-time viewers dropped to 44 from 45 last year. NBC's median viewer age increased to 41 from 39. ABC remained at 35.

"It's become much more of a three-network race," said Betsy Frank, senior VP-director of TV information and new media for Saatchi & Saatchi Advertising. "CBS isn't just leading among people 55-plus. Not only have they gained among the people who have always watched them, but they've gained among the people who haven't watched them much at all." □



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On Marketing

Dow's rally leaves media stocks dry

By Gary Levin and Scott Donaton

NEW YORK—The rally that pushed the Dow Jones industrial average above 3,000 for the first time last week hasn't been reflected in most media and ad agency stocks.

Hurt by a weak U.S. advertising business, both sectors last week posted mostly modest stock gains, despite the run-up in the Dow, a composite average of leading industrial stocks.

Analysts said the Dow movement reflects lower interest rates and signs of an upturn among the major companies that make up the average.

"Advertising stocks haven't been generating much growth in the early part of the year, so they really haven't participated in the latest stage of the rally," said Greg Ostroff, an analyst at Goldman, Sachs & Co. "If we see a sudden shift in the economy over the next couple of weeks, these stocks will start to do better."

"The reason media stocks have lagged is, I think, a reflection of the state of the media business," said Ed Atorino, media analyst with Salomon Bros. "Things are bad and show no signs of getting better."

James Dougherty, analyst at County NatWest Securities USA, said some agency and media stocks rose substantially during the first quarter as a whole. He cited Omnicom Group; Interpublic Group of Cos.; Foote, Cone & Belding Communications; Reader's Digest Association; and Heritage Media Corp. as big gainers.

Among agencies, Interpublic rose 4.5% last week, closing at $46.75; FCB was up 0.9% to $27.25; Omnicom was unchanged at $29.75; Saatchi & Saatchi Co.'s U.S.-traded shares were virtually unchanged, rising to $1.25; and WPP Group was down 4.7% to $7.63, but is up 49% from the end of March.

PaineWebber analyst Alan Gottesman last week lowered his Interpublic earnings estimate 7% to $2.50, citing the continuing weak U.S. environment and a slowdown in growth overseas. He said the company's stock price "may be a little ahead of itself."

Among major media company stocks, CBS last week rose 1.2%, closing at $161.88; Dow Jones & Co. was up 8% to $27; The New York Times Co. climbed 7.2% to $22.38; McGraw-Hill was up 0.4% to $60.25; and Time Warner was unchanged at $115. □

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